

Summary of key feedback points

The following points were discussed at Ofgem's working groups. This document collates Ofgem's current views on four key points, after taking into consideration views from the working group and contacts from stakeholders outside of the working group.

1. Who does the code apply to

- a. The proposed Code being developed would apply to Non-domestic Third Party Intermediaries (TPI). It is intended that this Code be ultimately a binding one. While there are clearly inter-actions with energy suppliers, suppliers are licensed entities and therefore the supply licence is, under current regulatory framework, the appropriate place to set out binding rules for suppliers.

2. What is a TPI

- a. For the purpose of the proposed Code, a non-domestic TPI is a person engaged in activities that involve acting as an intermediary between a non-domestic Consumer and an active Supplier.

3. What is the objective of the Code

- a. The objective of the proposed Code (the 'Objective') is to protect the interests of non domestic consumers and, in particular, their interests in having the confidence that when using a TPI for energy related services, the TPI will act in an honest and transparent manner and effectively assist them with their energy needs.

4. What is the problem we are trying to solve

- a. There is no central body that collates all complaints about TPIs, nor is there a definitive number of how many non-domestic TPIs there are. For this reason, hard statistics on numbers and magnitude are not available. Nonetheless, the working group collated the following key problem areas that they had observed or were aware of being an issue in the market:
 - i. Call harassment/pressure selling
 - ii. Misleading information about: who they were, who they represent, details of comparative offers (prices, T&C, etc)
 - iii. Lack of clarity about the existence of fees
 - iv. Unscrupulous lead generation
 - v. Lack of trust in the TPI market.
- b. The last point is the key reason why Ofgem has deemed this work a necessary step. A perception of untrustworthiness is not always necessary related to high statistics

of problems occurring, so the issue of not having full statistics becomes less relevant. TPIs play an important role in helping the market work effectively, particularly for non-incumbent suppliers. So a break-down of trust in TPIs would be detrimental for the market, and therefore for consumers.